



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2
290 BROADWAY
NEW YORK, NY 10007-1866

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JUL 9 2001

**CERTIFIED MAIL--
RETURN RECEIPT REQUESTED**

Carrie J. McGowan, Program Manager
Waste and Remediation
ISP Environmental Services, Inc.
1361 Alps Road
Wayne, New Jersey 07470

Re: LCP Chemicals, Inc. Superfund Site, City of Linden, Union County, New Jersey

Dear Ms. McGowan:

Enclosed is a Bill for Collection No. 022601T071 in the amount of \$96,084.80 for Environmental Protection Agency ("EPA") response costs paid at the LCP Chemicals, Inc. Superfund Site (the "Site") from June 1, 2000 through March 31, 2001. This bill is being transmitted pursuant to the reimbursement provisions set forth in Section XX, Paragraph 76 of the Administrative Order on Consent ("AOC") Index No. II-CERCLA-02-99-2015, signed by the Environmental Protection Agency ("EPA") and ISP Environmental Services, Inc. for the Site under the authority of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §9601, *et seq.*

Also enclosed is an itemized cost summary and narrative statement concerning the costs contained in the bill, and a SCORPIOS Report—the latter being a computer-generated breakdown of the different categories of Site-related costs paid by EPA. The SCORPIOS Report was prepared using EPA's new indirect cost methodology, whereby all direct costs for payroll and contracts are multiplied by a standard indirect rate of 28.32%.

You will notice that the accounting of costs for the Response Action Contract contractor contains items identified as "annual allocation costs." Annual allocation costs are contractor costs that have been incurred by EPA that were not billed to EPA by its contractors on a site-specific basis. Pursuant to the Annual Allocation Reporting Process, EPA is presently determining, for each of its Superfund contracts, the amount of monies that were paid to the contractors that were not payments

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for site-specific activities by the contractors, but rather, were payments for administrative and other non-site costs. EPA is allocating certain of these non-site-specific payments among the various Superfund sites that the contractors were working on at the time, based on the direct costs associated with each site.

Pursuant to Section XX, Paragraph 76 of the AOC, you are responsible for remitting payment of the amount due within thirty (30) days from the date of your receipt of this bill. The terms of the AOC indicate that payment is to be made either by certified check or electronic funds transfer ("EFT"), however, EPA requests that the amount due be sent to EPA's account at Mellon Bank via EFT. To effect this payment via EFT, please follow the instructions in Section XVIII, Paragraph 64 of the AOC. To ensure that your payment is properly recorded, you should send a letter, within one week of the EFT, which references the date of the EFT, the payment amount, the name of the site, the case number, and your name and address to:

Patricia Simmons
Remedial Project Manager
Central New York Remediation Section
Emergency and Remedial Response Division
U.S. Environmental Protection Agency
Region 2
290 Broadway, 20th Floor
New York, NY 10007-1866

as well as to:

Muthu S. Sundram, Esq.
Assistant Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency
Region 2
290 Broadway, 17th Floor
New York, NY 10007-1866

The United States reserves its right to recover any costs incurred during the time period covered by this accounting but not included in this bill, and all other response costs pursuant to the AOC.

Finally, as indicated in past correspondence, under the Superfund Administrative Reform on improving the management of work performed by consenting parties, EPA has reaffirmed its commitment to conduct appropriate and cost-effective oversight while ensuring protective cleanups. EPA believes that maintaining an open dialogue with potentially responsible parties about oversight expectations and performance issues can improve the efficiency of response actions and minimize the costs of oversight. To this end, EPA would like to offer to discuss with you its plans for the oversight of ongoing and upcoming work at the Site. Please contact Ms. Simmons at (212) 637-3865 within the next two weeks if you are interested in having a conversation or meeting with us on these

issues, or you have any questions regarding this bill. Questions from your legal representative should be directed to Mr. Sundram at (212) 637-3148.

Sincerely yours,

A handwritten signature in cursive script, reading "John E. La Padula".

John E. La Padula, P.E., Chief
New York Remediation Branch

Enclosures